

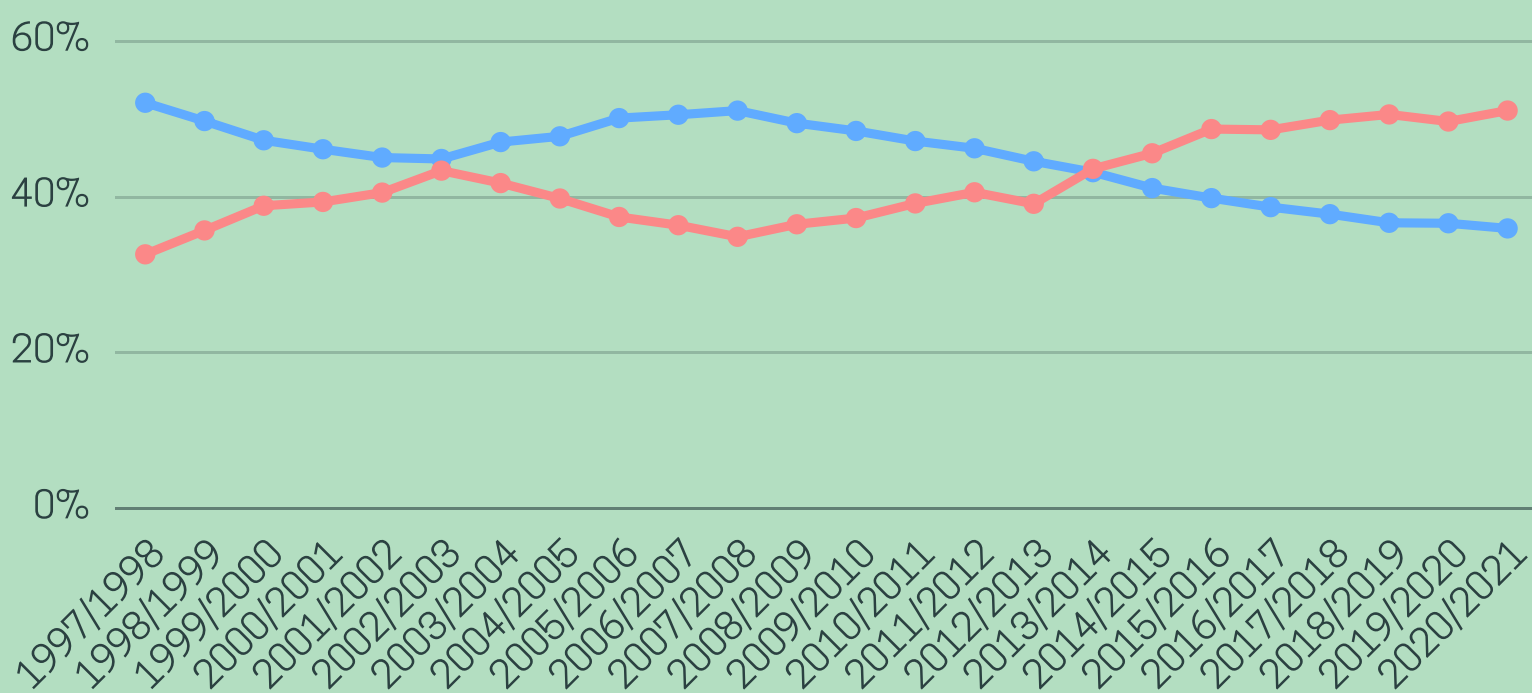
INVESTIGATING THE CORPORATIZATION OF THE UNIVERSITY: FINANCIAL TRENDS

DECLINES IN GOVERNMENT FUNDING (AS A % OF UNIVERSITY REVENUES)

Western and other universities in Ontario have long relied primarily on government grants to finance their operations, but over the last 40 years, government funding has come to make up a shrinking share of revenues (Usher, 2020).

GROWING IMPORTANCE OF TUITION (AS A % OF UNIVERSITY REVENUES)

As a result, tuition paid by students has taken over as Western's (among other universities') main source of revenue, comprising 51.14% in 2020/2021 - the highest it's ever been .

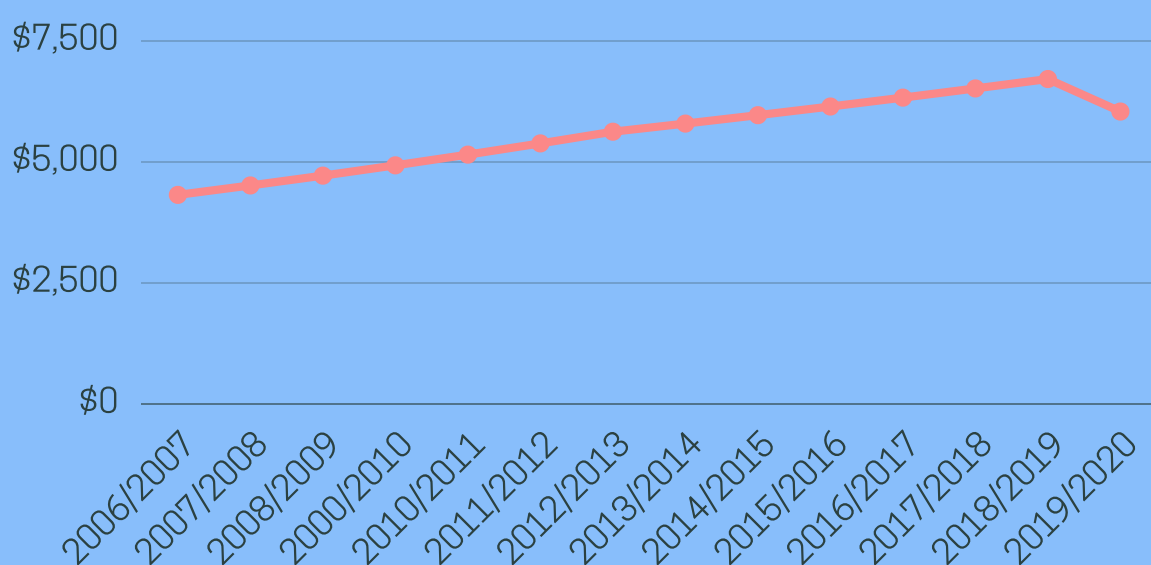


Share of Government Funding and Tuition in Western's Total Annual Operating Revenues 1997-2021

INCREASING TUITION FEES

In response to stagnation in government funding the government of Ontario de-regulated tuition fees in the late 1990s to allow universities to recoup lost revenues. Since then the cost of tuition has grown rapidly (Jones, 2014).

First-Year Arts and Sciences Undergraduate Tuiton Fees Western University, Main Campus 2006-2020



As of 2019 domestic tuition (for those in the arts or sciences) has been capped at \$6,050 (not including ancillary fees) by the provincial government, yet universities have continued to raise fees for international students, not supported by government funding or protected by caps (First Year Domestic Tuition and Ancillary Fees, 2020).

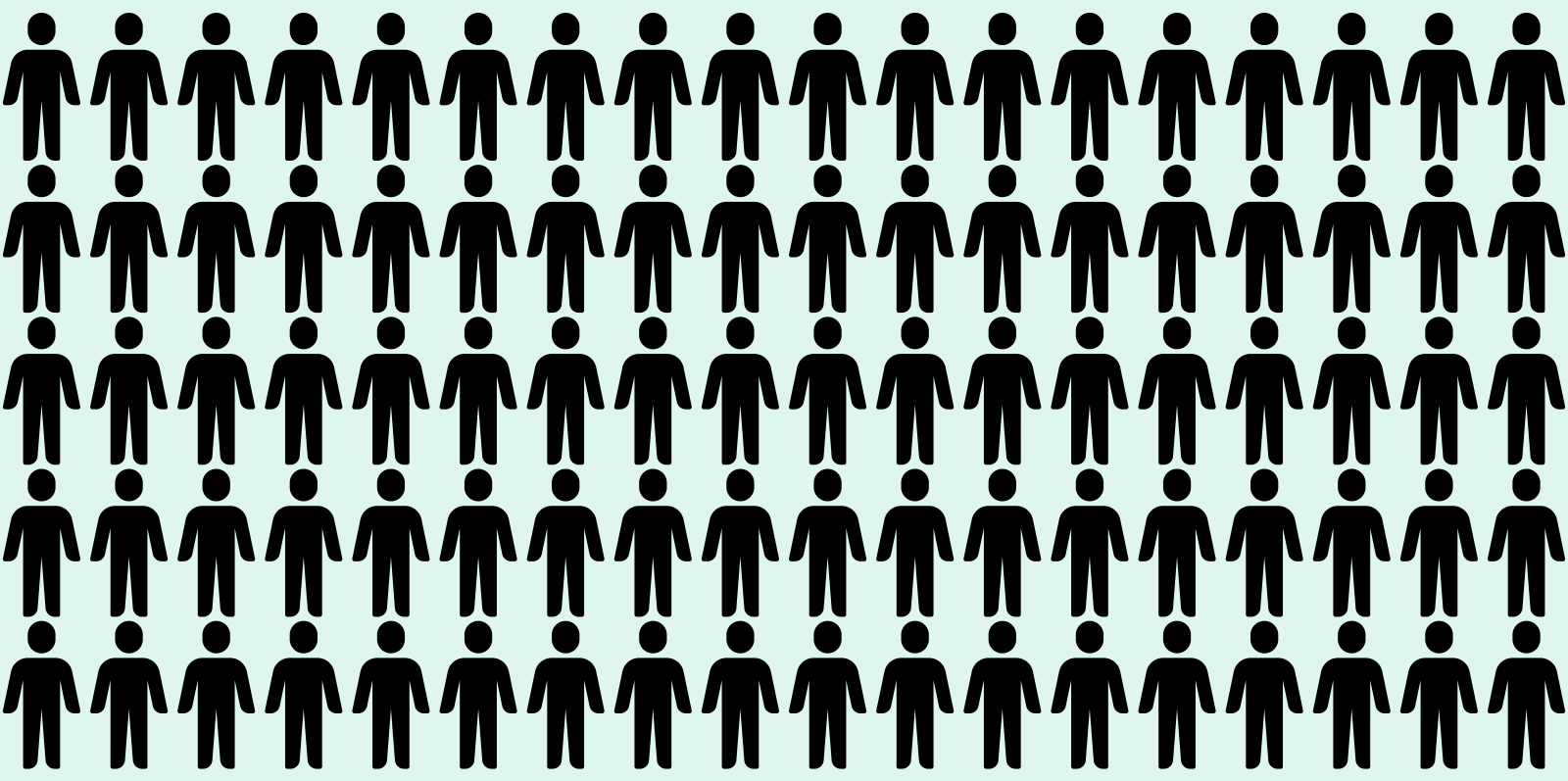
INCREASINGLY ENROLLMENT-SENSITIVE GOVERNMENT GRANTS

While the allocation of government grants has always been largely enrollment-based, changes over the last 20 years have made it increasingly enrolment-sensitive, bolstering the financial pressure on universities to recruit and retain students.

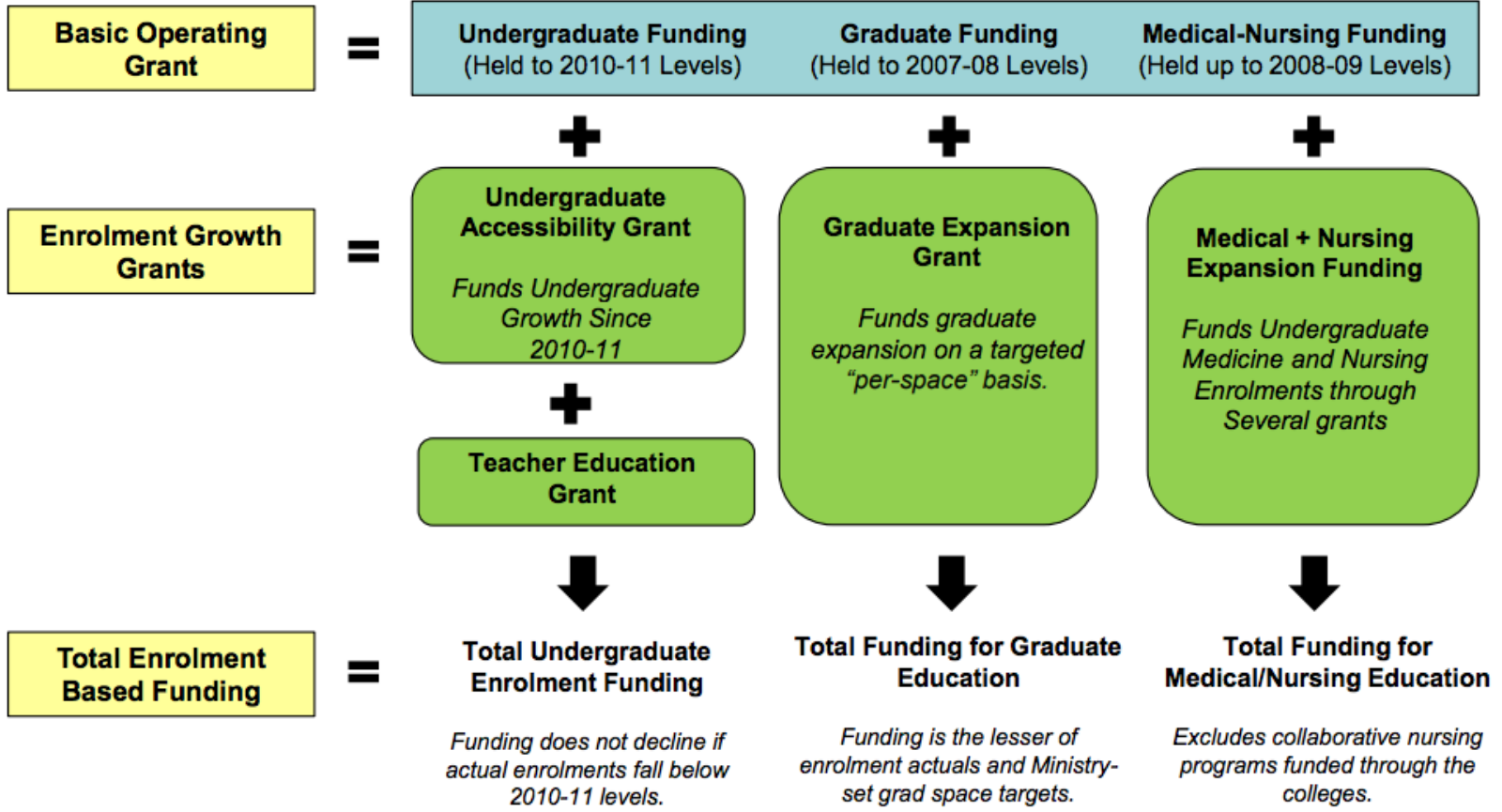
2001:

The Ontario government introduced a \$16.5 million enrolment-driven Undergraduate Accessibility Grant (UAG) on top of the existing Basic Operating Grant.

This permanently altered the funding model compared to previous funding formulas which had controls mitigating the effects of enrollment changes on a universities share of funding (Ministry of Training, Colleges and Universities, 2015).



Currently, five government grants allocate about 90% of the total operating funding to universities based on enrollment - the Basic Operating Grant, the Undergraduate Accessibility Grant, the Graduate Expansion Grant, the Medical and Nursing Grant, and Teacher Education Grant (Ministry of Training, Colleges and Universities, 2015):



(Ministry of Training, Colleges and Universities, 2015)

PUSH FOR GREATER ENROLLMENT WITHIN THE UNIVERSITY

Following increases in the role of enrollment in determining government funding allocation and tuition paid by students in revenues, we see sharp increases in enrollment beginning 1997-1999 and a push for a greater variety of programs and greater enrollment in strategic planning at Western (Task Force on Strategic Planning, 2010; Strategic Planning Task Force, 2001).

Such trends have only intensified over the past decade as the role of government funding in revenues has continued to decline while enrollment maintains its importance in the allocation of government grants.

The most recent strategic plan, Towards Western at 150 (2021), developed at a time when government funding of the university is at its lowest ever, puts forth the aim of growing the student population from 32,000 to 50,000. This stands in stark contrast to Western’s Strategic Plan of 1995, when government funding still made up over 50% of the University’s revenues, which emphasized the need to reduce and control first-year undergraduate enrollment to preserve educational quality and student accessibility.

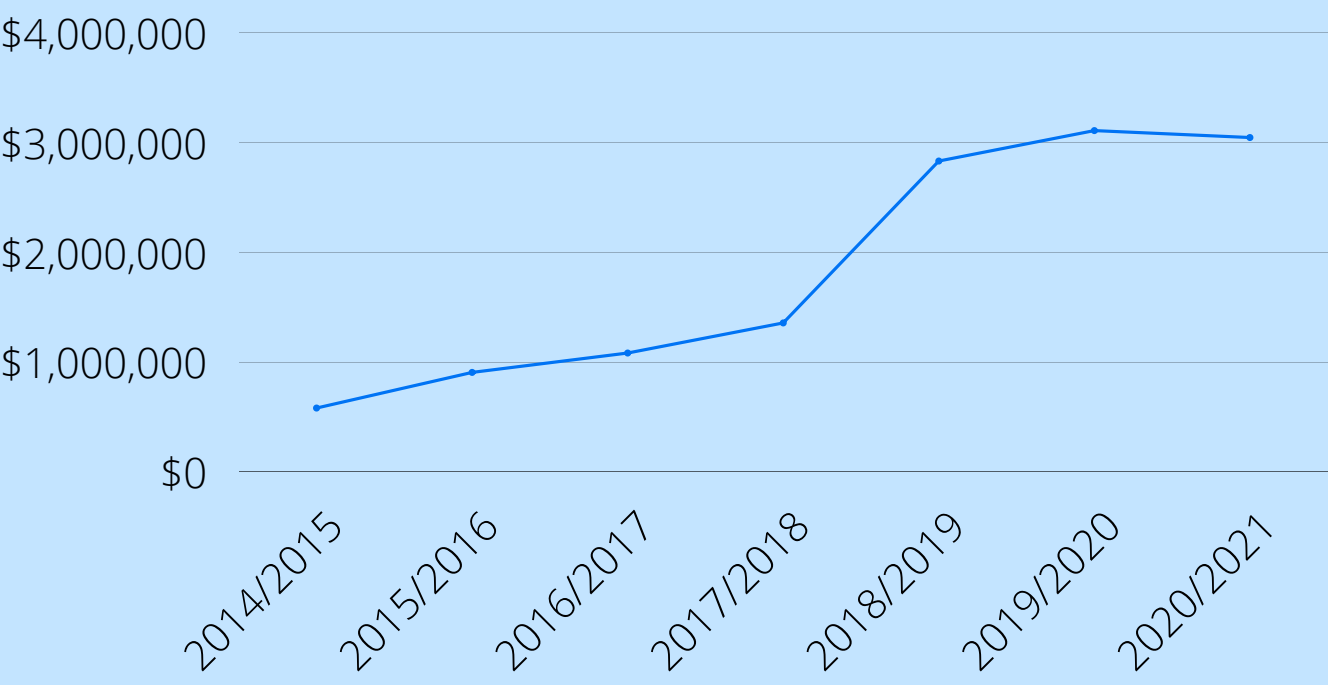
EMERGENCE AND GROWTH OF STUDENT EXPERIENCE

We see a shift in focus towards ‘student experience’ at Western beginning in 2007, when provision of “the best student experience among Canada’s leading research-intensive universities” was adopted as the university’s formal Mission (Engaging the Future). Further, the 2014 strategic plan, ‘Achieving Excellence on the World Stage’, introduced a student-centered Vision of Western as “a destination of choice for the world’s brightest minds seeking the best learning experience at a leading Canadian research university”.

In the subsequent operating budget of 2014/2015 ‘student experience’ emerges as its own category of funding, with \$581,984 allocated to the office of AVP of student experience.

Since then ‘student experience’ has seen sharp growth in funding each year, with \$3,045,495 allocated to the portfolio in 2020/2021, and a continued commitment to enriching the student experience in the 2021 strategic plan “Towards Western at 150”.

Allocations to Student Experience Base Budget in Western's Annual Operating Budgets 2008-2021



During this time, the student experience portfolio has expanded its power and influence within the university, building a team of over 500 staff and volunteers between 2014 and 2017 alone and absorbing more and more (both academic and extracurricular) services relevant to student life under its authority including sports, recreation, academic/learning supports, and most recently student health and wellness (Student Experience Strategic Plan, 2017).

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